

A large, stylized graphic of a house roof in shades of green, composed of several overlapping geometric shapes, serves as a background for the top half of the slide.

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

## Opening Comments

Bonita Shropshire, Executive Director

# Agency Updates Since Last Hearing

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- Housing Needs Assessment Released
- Drafting 2020 Qualified Allocation Plan & Developer Roundtable on Policy
- Senate Oversight Committee
- Chief Financial Officer



# Topics Requested

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- Email from 7/25/2019:
  - Strategic plan (Bonita Shropshire, Executive Director)
  - Performance measures (Clayton Ingram, Communications Manager)
  - Expenditures breakdown by division or major program (Paul Linhardt, Senior Accountant)
  - Personnel statistics & information (Tracey Easton, General Counsel)
  - Suggested law changes (Bonita Shropshire, Executive Director)



## Performance Measures

Clayton Ingram, Communications Manager

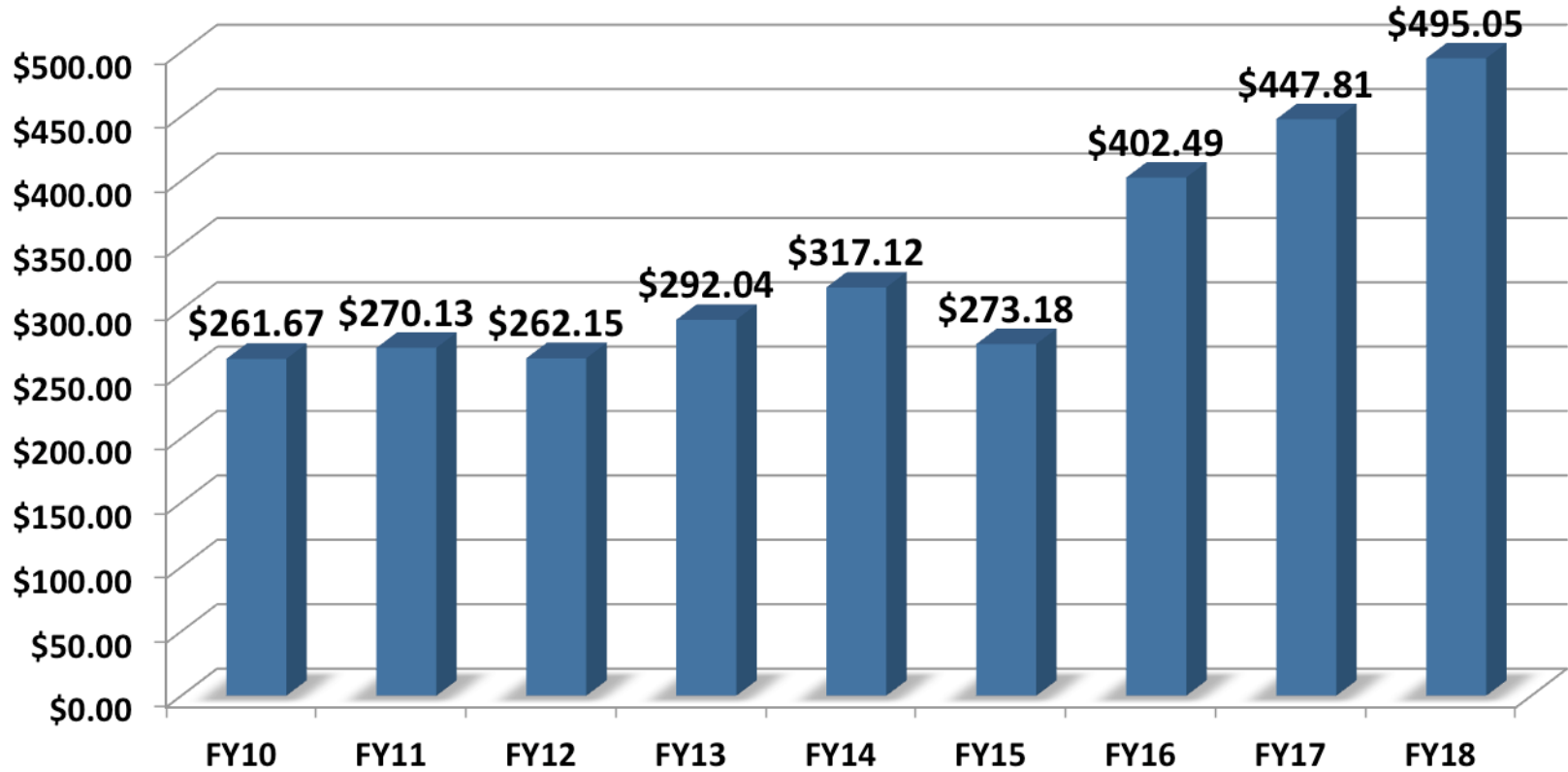
# Economic Impact Analysis

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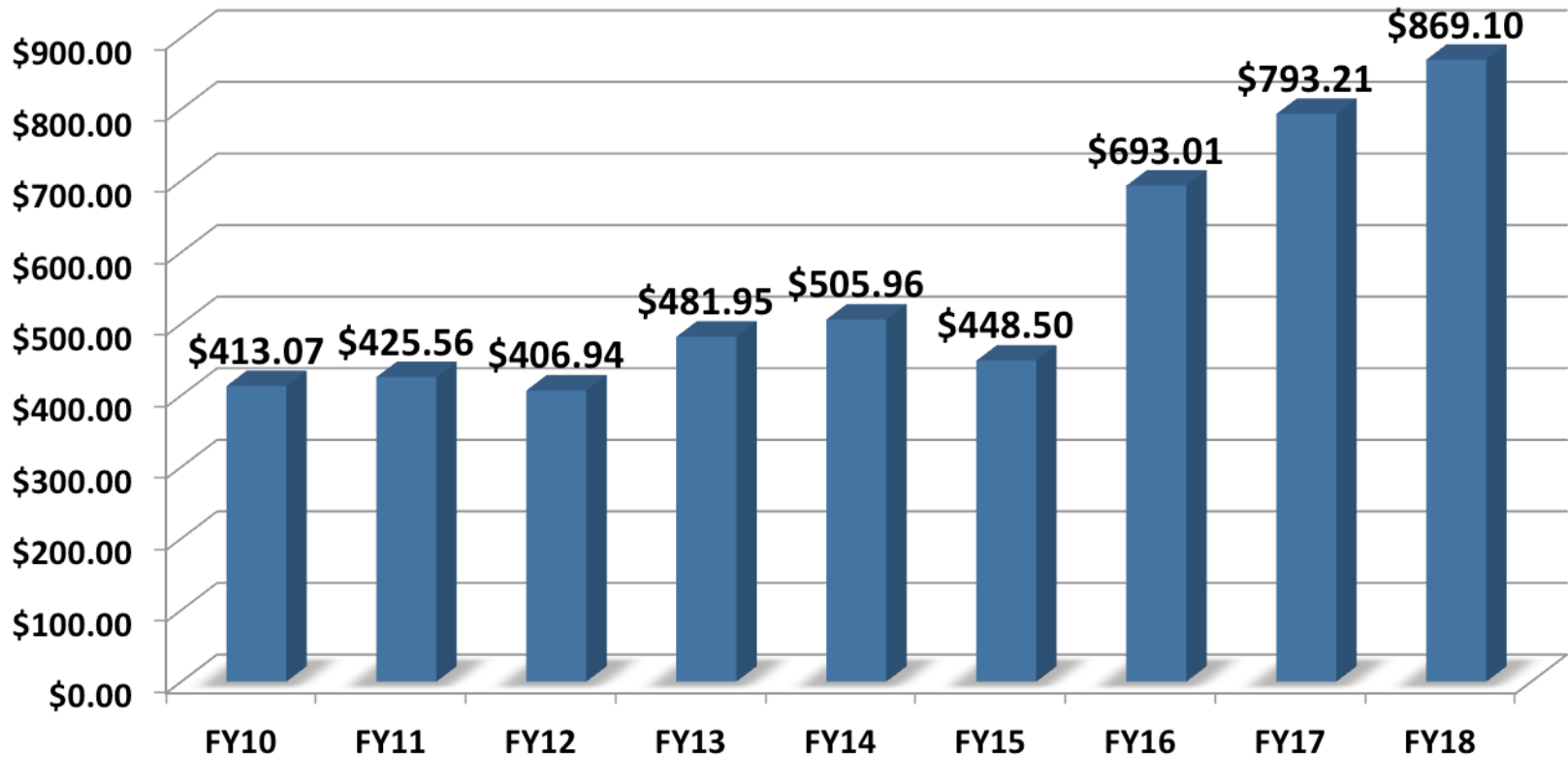
- SC Housing measures its performance annually in terms of Economic Impact Analysis, prepared by Research Economist Dr. Joey Von Nessen of the Darla Moore School of Business.
- An accurate way to measure and put perspective on how SC Housing affects South Carolina's housing markets and the overall economy
- Quantifies SC Housing's impact on both the overall economy and various local regions
- Additional information contained in the 2018 FY 2018 Economic Impact Report (previously provided)



## S.C. Housing Total Annual Investment (in millions)

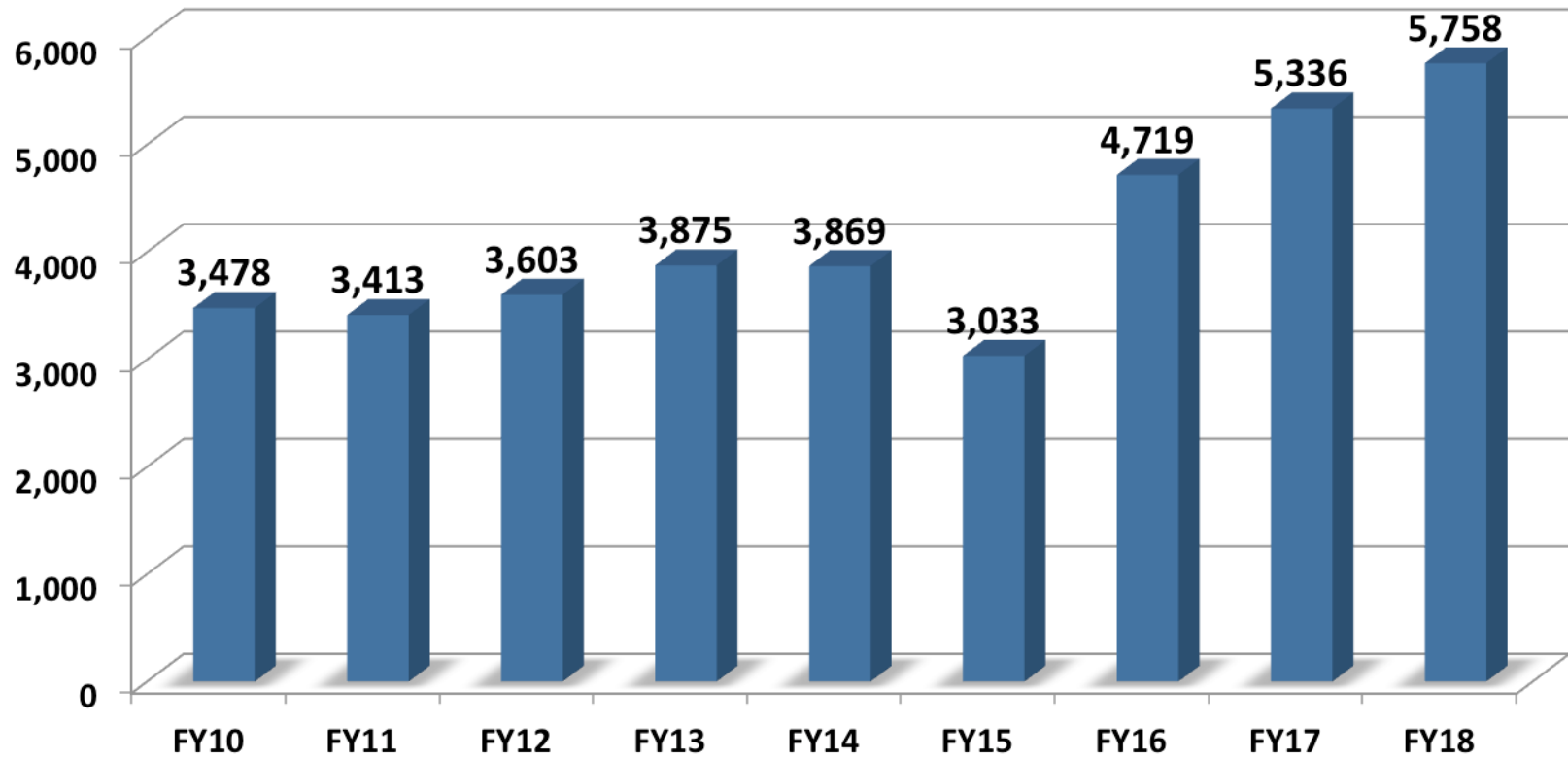


## S.C. Housing Total Annual Economic Output (in millions)

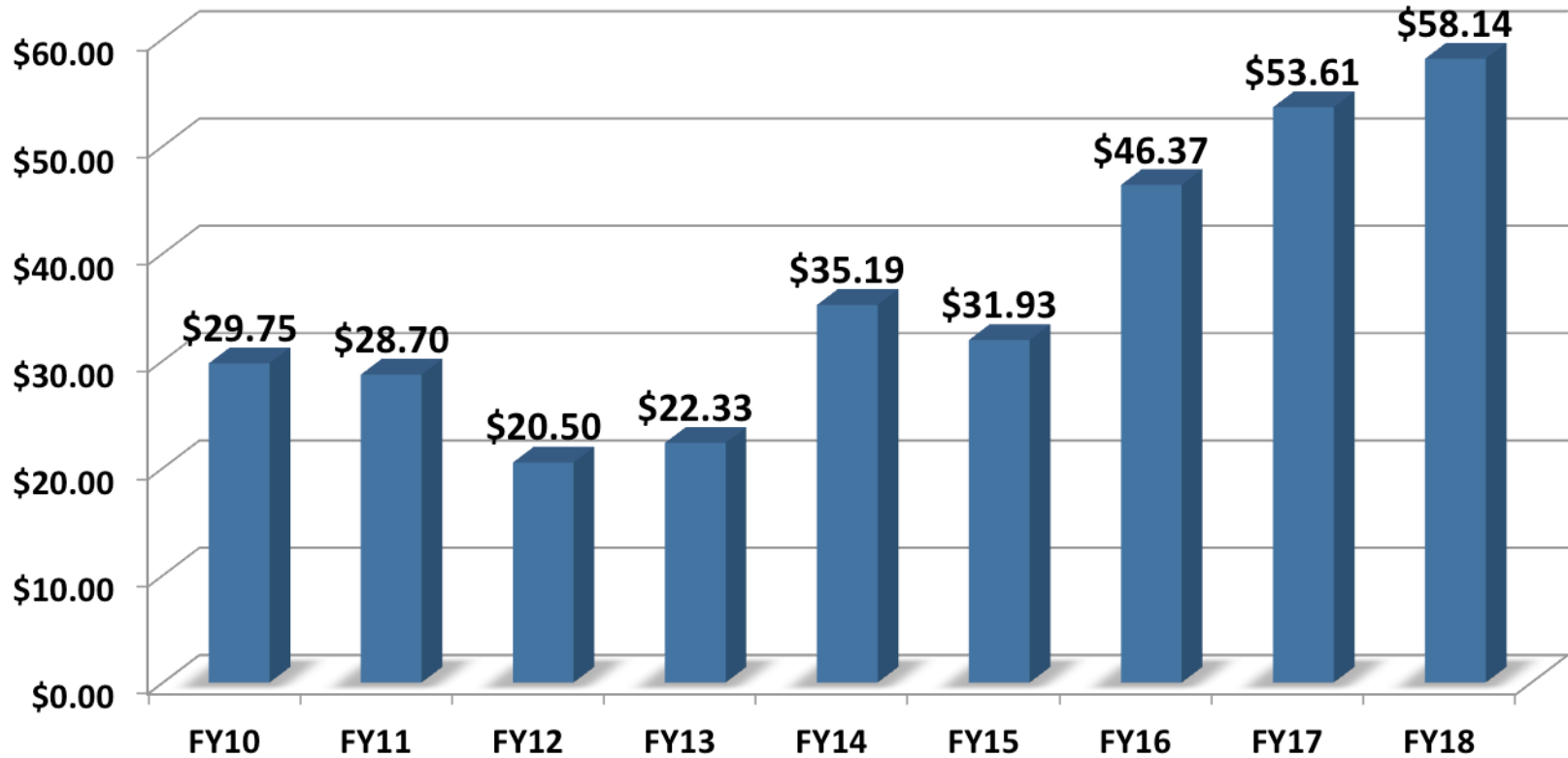




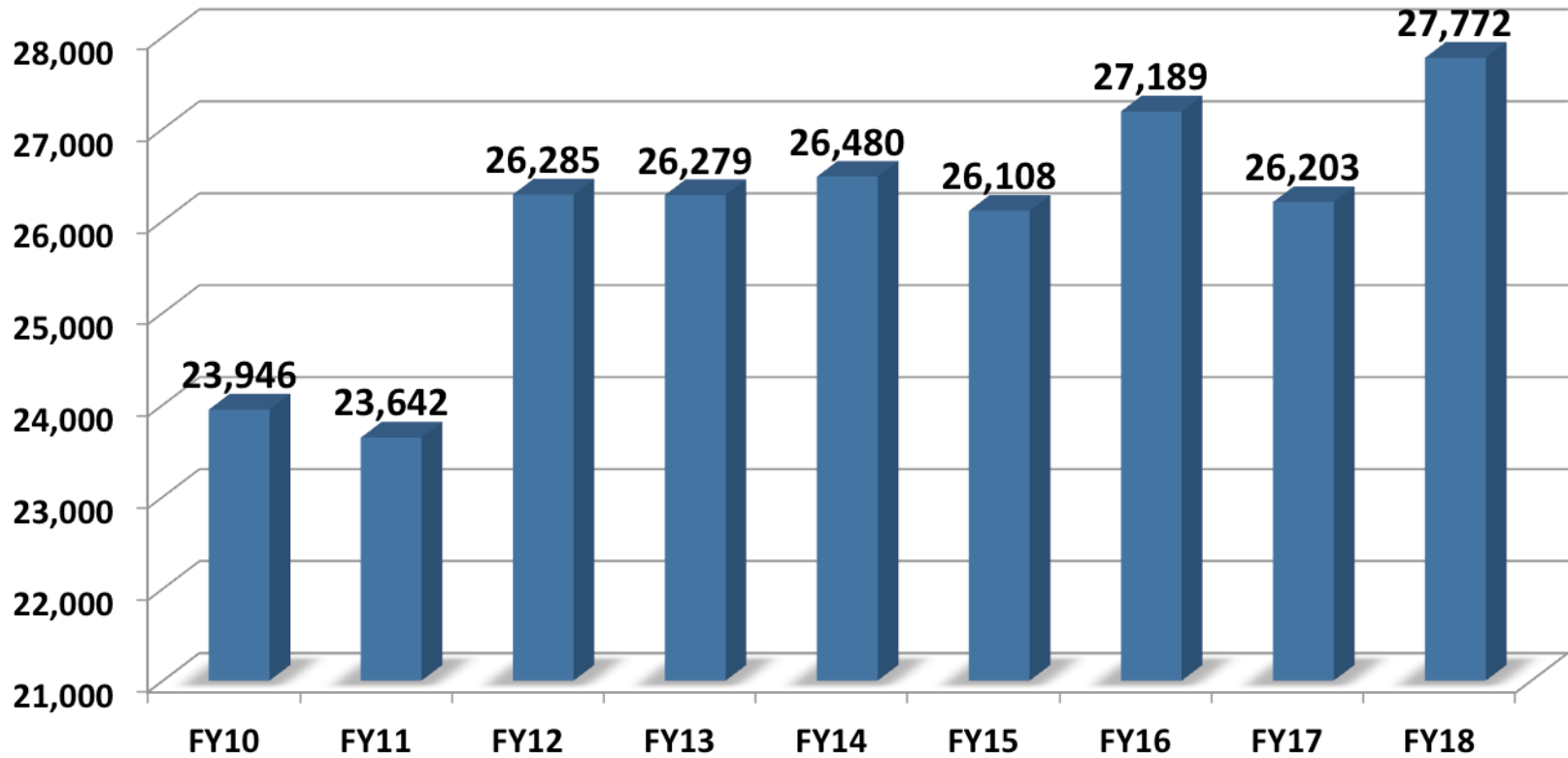
## S.C. Housing Total Annual Employment Supported



### S.C. Housing Total Annual Tax Revenue Generated (in millions)



## S.C. Housing Total Annual Units Assisted



## Summary & Overall Impact

	2014	2015	2016	2017	2018
Investment	\$317.1M	\$273.2M	\$402.5M	\$447.8M	<b>\$495.1M</b>
Economic Output	\$506.0M	\$448.5M	\$693.0M	\$793.2M	<b>\$869.1M</b>
Employment	3,869	3,033	4,719	5,336	<b>5,758</b>
Tax Revenue	\$35.2M	\$31.9M	\$46.6M	\$53.6M	<b>\$58.1M</b>
# of Units Assisted	26,480	26,108	27,189	26,203	<b>27,772</b>

- In FY18, every \$100 in direct spending from SC Housing's affordable housing initiatives resulted in an overall total economic impact of \$176 on South Carolina's economy. This has grown from \$158 per \$100 in FY 2010.

## Expenditure Breakdown

Paul Linhardt, Senior Accountant

# Multi Family Housing Development – Tax Credit

**9% Tax Credits number of units during FY2018-19** 738

- Source of Funds – US Internal Revenue Service and User Fees
- FY 2018-19 Developments Completed

	» Amount	As % of Total
– Administrative Expenditures	382,000	6.3%
– Development Assistance	96,722,000	Fed. Tax Credits claimed over 10-year period

**4% Tax Credits number of units during FY2018-19** 1,909

- Source of Funds – US Internal Revenue Service and User Fees
- FY 2018-19 Developments Completed

	Amount	As % of Total
– Administrative Expenditures	127,000	2.1%
– Development Assistance	32,628,000	Fed. Tax Credits claimed over 10-year period

# Multi Family Housing Development – Other

## SC Housing Trust Fund

- Number of units during FY2018-19 24
- Source of Funds – Deed Recording Fee
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 66,000 1.1%
  - Development Assistance 750,000 0.2%

## HOME

- Number of units during FY2018-19 56
- Source of Funds – US Dept. of Housing and Urban Development
- FY 2018-19 Expenditures
  - Administrative Expenditures 1,642,000 26.9%
  - Development Assistance 3,591,000 2.4%

# Single Family Housing Rehabilitation

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## SC Housing Trust Fund

- Number of families during FY2018-19 418
- Source of Funds – Deed Recording Fee
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 359,000 5.9%
  - Rehabilitation Assistance 4,102,000 1.3%





# Special Needs Housing

## SC Housing Trust Fund

•	Number of units during FY2018-19	53
•	Source of Funds – Deed Recording Fee	
•	FY 2018-19 Expenditures	
	» Amount	As % of Total
–	Administrative Expenditures 101,000	1.7%
–	Development Assistance 1,166,000	0.4%



# Quality Control and Compliance Monitoring

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- Unit inspections during FY2018-19                      1,657
- Source of Funds – Inspection Fees paid by Developers
- FY 2018-19 Expenditures
  - » Amount                      As % of Total
  - Administrative Expenditures                      531,000                      8.7%



## Rental Assistance – Project Based

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- Contract Administration
- Number of families during FY2018-19      17,900
- Source of Funds – US Department of Housing and Urban Development
- FY 2018-19 Expenditures

	» Amount	As % of Total
– Administrative Expenditures	933,000	15.3%
– Rent and Utility Assistance	135,828,000	89.7%



# Rental Assistance – Tenant Based

## Housing Choice Voucher Program

- Number of families during FY2018-19 2,238
- Source of Funds – US Department of Housing and Urban Development
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 1,102,000 18.1%
  - Rent and Utility Assistance 11,929,000 7.9%

## HOME

- Number of families during FY2018-19 65
- Source of Funds – US Department of Housing and Urban Development
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 4,000 0.1%
  - Security Deposit Assistance – 43,000 0.03%

# Homeownership Programs

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## 1<sup>st</sup> Time Homebuyer Mortgage Program

- Number of 1<sup>st</sup> mortgages during FY2018-19 1,111
- Source of Funds – Revenue Bonds and User Fees
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 777,000 12.7%
  - Mortgages Purchased 141,867,000 Paid by Bond Funds

# Homeownership Programs

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## Palmetto Advantage and Mortgage Tax Credit Programs

- Number of 1<sup>st</sup> mortgages during FY2018-19 170
- Source of Funds – US IRS / Fannie Mae and User Fees
- FY 2018-19 Expenditures
  - » Amount As % of Total
  - Administrative Expenditures 75,000 1.2%
  - Mortgage Interest Assistance 27,094,000 Tax Credit claimed by homeowner



# All SC Housing Programs

## Budgeted Funds

- Number of Families/Units assisted during FY2018-19 app. 1100
- Source of Funds – Federal Funds and User Fees
- FY 2018-19 Expenditures

	» Amount	As % of Total
– Administrative Expenditures	15,934,000	9.5%
– Housing Assistance	151,391,000	90.5%

## Non-Budgeted Funds

- Source of Funds – Revenue Bonds, IRS Tax Credits and HTF
- FY 2018-19 Expenditures

	» Amount	As % of Total
– Mortgage Revenue Bonds	141,867,000	46.6%
– IRS Tax Credits	156,444,000	51.4%
– Housing Trust Funds	6,018,000	2.0%

## **Personnel Statistics & Information**

Tracey Easton, General Counsel



# Personnel Strategies - Onboarding

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- Prior to their first day all new employees receive an electronic onboarding package.
- On the first day of employment, new employees go through orientation with HR staff.
- Supervisor for the new employee completes a New Hire Checklist.



## Personnel Strategies - Training

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- SC Housing is committed to making training available for its employees.
- SC Housing historically sends two employees annually to CPM training.
- In recent years, SC Housing offered a leadership training program. The program was put on hold for a few years to allow the next pool of eligible employees to grow.
- Employees attend training offered by local and national trade groups.
- HR does not track data related to training



# Personnel Strategies – Retention

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- SC Housing strives to hire and retain qualified employees.
- SC Housing offers competitive salaries and the State benefits package.
  - SC Housing is currently participating in a salary study that compares salaries of state housing agency employees nationwide.
  - SC Housing has conducted internal inequity reviews and has re-classed or adjusted salaries of impacted employees.
- SC Housing also offers flexible schedule options and tuition assistance.
- If an employee receives a job offer, SC Housing is able to offer a bonus or raise to retain the employee.



# Personnel Information – By the Numbers

- 125 Full time employees
  - 68 % Female, 32% Male
  - 29% Black/African American - 4% Hispanic - 67% White
- 13 Employees Departed SC Housing in past Fiscal Year under the following circumstances

Reason for Departure	#	Division
Deceased	1	Development
Dismissal- Unsatisfactory Performance	1	Compliance Monitoring
Employed Outside State Gov	4	Development, Finance, Housing Choice Voucher, Legal
Personal	2	Compliance Monitoring, Housing Choice Voucher
Resignation	1	Development
Retirement	2	Development, Executive
Temporary Employment Ended	2	Development, Internal Audit
<b>TOTAL</b>	<b>13</b>	



## Closing Comments

Bonita Shropshire, Executive Director